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# ***Public Utilities Commission of the State of California***

## ***Public Agenda 3146***

***Thursday, January 27, 2005 10:00 a.m.***

***San Francisco, California***

### **Commissioners**

**Michael R. Peevey, President**

**Geoffrey F. Brown**

**Dian M. Grueneich**

**Susan P. Kennedy**

*For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.*

*Website: <http://www.cpuc.ca.gov>*

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### **Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco**

<i>Ratesetting Deliberative Meeting*</i> <i>Room 5305</i> <i>(1:30 p.m.)</i> <i>Closed to the Public</i>	<i>Commission Meeting</i> <i>Auditorium</i> <i>(10 a.m.)</i> <i>Open to the Public</i>
Monday, February 07, 2005 (San Francisco)	Thursday, January 27, 2005 (San Francisco )
Tuesday, February 22, 2005 (San Francisco)	Thursday, February 10, 2005 (San Francisco)
Monday, March 14, 2005 (San Francisco)	Thursday, February 24, 2005 (San Francisco)
	Thursday, March 17, 2005 (San Francisco)

*\*Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

### ***Matters of Public Interest***

***For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.***

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## PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
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**Public Comment:**

## Consent Agenda

*Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.*

### Consent Agenda - Orders and Resolutions

**1**

[3736]

**A99-12-025 - Valencia Water Company.**

For approval of its updated Water Management Program as ordered in Commission Resolution W-4154 dated August 5, 1999. This decision awards The Angeles Chapter of Sierra Club \$4,074.18 for its contribution to D01-11-048 and D03-10-063. This proceeding is closed.  
(Comr Brown - ALJ Patrick)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3137, Item 23 8/19/2004 (Staff);

Agenda 3138, Item 7 9/2/2004 (Staff);

Agenda 3139, Item 3 9/23/2004 (Staff);

Agenda 3141, Item 1 10/28/2004 (Staff);

Agenda 3142, Item 3 11/19/2004 (Staff);

Agenda 3143, Item 1 12/2/2004 (Staff);

Agenda 3144, Item 1 12/16/2004 (Staff);

Agenda 3145, Item 3 1/13/2005 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187095](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187095)

**2**

[4140]

**Res ALJ 176-3146**

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187602](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187602)

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Consent Agenda - Orders and Resolutions (continued)**3**

[4085]

**A03-10-039 - Pacific Bell Telephone Company dba SBC California (SBC).**

This decision adopts a Final Arbitrator's Report (FAR) setting telephone pole and conduit rates to be paid by SBC to SureWest Telephone, formerly known as Roseville Telephone. It also approves the full pole and conduit agreement (entitled the Support Structure Use Agreement) prepared and filed by the parties to this arbitration, which incorporates the FAR results. This proceeding is closed.

(ALJ Thomas)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3145, Item 7 1/13/2005 (Peevey)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187080](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187080)

**4**

[4105]

**A04-06-029 - Spectrotel, Inc. (Applicant).**

This decision denies Applicant's request for a certificate of public convenience and necessity based on the company's history of unlawful slamming. If Applicant engages in no further instances of slamming or other violations of law, it may reapply after one year. This proceeding is closed.

(Comr Kennedy - ALJ Prestidge)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3145, Item 10 1/13/2005 (Kennedy)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186719](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186719)

**5**

[4116]

**Res W-4511 - Beasore Meadows Water Company (BMWC).**

This resolution authorizes BMWC a general rate increase producing additional annual revenue of \$6,548 or 78.09% in 2003.

Agenda 3144, Item 25 12/16/2004 (Staff);

Agenda 3145, Item 11 1/13/2005 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=184749](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=184749)

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Consent Agenda - Orders and Resolutions (continued)**6**

[4177]

**I02-06-003 - Investigation on the Commission's own motion into the operations, practices, and conduct of Pacific Bell Wireless LLC dba Cingular Wireless, and related entities (collectively Cingular) to determine whether Cingular has violated the laws, rules and regulations of this State in its sale of cellular telephone equipment and service and its collection of an Early Termination Fee and other penalties from consumers.**

This decision awards \$367,401.25 in intervenor compensation to Utility Consumers' Action Network for its contribution to D04-09-062.

(ALJ Vieth)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

Agenda 3145, Item 31 1/13/2005 (Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187575](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187575)

**7**

[4190]

**R-03-08-019 - Order Instituting Rulemaking on the Commission's own motion to amend General Order 77-K.**

General Order (GO) 77-L will not be amended. Large utilities are directed to provide an electronic copy of future GO 77-L reports and SEC Proxy Statement reports for publication on the Commission's website.

(ALJ Koss)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=183361](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=183361)

**8**

[4191]

**R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and Decision 01-09-060.**

This decision adopts cost responsibility obligations for 2001 through 2003 applicable to Direct Access and Departing Load Customers pursuant to the methodology adopted in D02-11-022.

(Comr Brown - ALJ Pulsifer)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188044](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188044)

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Consent Agenda - Orders and Resolutions (continued)

- 9**  
[4199]      **I04-07-003 - Order Instituting Investigation and Order to Show Cause on the Commission's own motion into the operations and practices of Fan Ding (aka Ding Fan or Lisa Ding), an individual doing business as Lucky Moving Co., Lucky Movers, Jixiang Moving Co., Northam Immigration Services, and Northman Immigration Service.**  
This decision approves a settlement between Respondent Fan Ding and the Commission's Consumer Protection and Safety Division in resolution of allegations of violations of laws and regulations respecting household goods carriers. This proceeding is closed.  
(Comr Kennedy - ALJ Yacknin)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186163](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186163)
- 10**  
[4201]      **A04-09-006 - Pacific Gas and Electric Company (PG&E).**  
This decision approves the sale and conveyance by PG&E of a certain parcel of land located in Shasta County to Lehigh Southwest Cement Company. The decision also approves an agreement between PG&E and the Commission's Office of Ratepayer Advocates to refer the issue of proceeds of this sale to the gain-on-sale proceeding, R04-09-003. This proceeding is closed.  
(Comr Kennedy - ALJ Walker)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185608](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185608)
- 11 (Rev.)**  
[4204]      **A04-11-001 - Union Pipeline Company (California) and ConocoPhillips Pipe Line Company.**  
This decision approves a transfer of control over Union Pipeline Company to ConocoPhillips Pipe Line Company pursuant to Public Utilities Code Sections 854(a) and 851. This transaction is exempted from the California Environmental Quality Act. This proceeding is closed.  
(Comr Peevey - ALJ Long)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
01/26/2005 - This revision was not shown on the Agenda mailed to the public.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185009](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185009)
- 12**  
[4205]      **Res T-16915 - Verizon California, Inc. (Verizon).**  
This resolution approves the request of Verizon to grandfather Dial Datalink service. (Advice Letter 10900, filed July 8, 2004)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186750](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186750)

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Consent Agenda - Orders and Resolutions (continued)

- 13**  
[4206]      **A04-01-041 - U. S. TelePacific Corp. (Applicant).**  
This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange telecommunications services in the service territories of SureWest Telephone, and Citizens Telecommunications Company of California, Inc. Applicant was previously authorized to provide such services in the service territories of Pacific Bell Telephone Company, Verizon California Inc. This proceeding is closed.  
(Comr Kennedy - ALJ O'Donnell)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187590](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187590)
- 14**  
[4207]      **Res ST-74**  
This resolution approves Consumer Protection and Safety Division's Rail Transit Safety Section (RTSS) final audit report concerning the 2004 Safety Audit of The Port of Los Angeles Waterfront Red Car Line (POLA RCL). The resolution also orders POLA RCL to: (1) submit Corrective Action Plans/Schedules to RTSS; (2) complete and implement all recommended corrective actions contained in the report; and (3) prepare and provide quarterly corrective action status reports until all recommended corrective actions are completed and implemented.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186765](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186765)
- 15**  
[4208]      **A04-09-021 - Pacific Gas and Electric Company (PG&E), and Leonard Soloniuk and Linda Ruckle-Soloniuk.**  
This decision approves the sale and conveyance by PG&E of a certain parcel of land located in Shasta County to Leonard Soloniuk and Linda Ruckle-Soloniuk. The decision also approves an agreement between PG&E and the Commission's Office of Ratepayer Advocates to refer the issue of proceeds of this sale to the gain-on-sale proceeding, R04-09-003. This proceeding is closed.  
(Comr Kennedy - ALJ Walker)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186291](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186291)
- 16**  
[4209]      **A04-10-017 - Union Pipeline Company (California) (UNOCAP).**  
UNOCAP seeks authorization to remove its Line #352 from public utility service and to modify its tariff to reflect the removal. The application is unopposed. The application is granted. This proceeding is closed.  
(Comr Kennedy - ALJ Walker)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185449](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185449)

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Consent Agenda - Orders and Resolutions (continued)

- 17**  
[4210] **(ECP) C04-10-016 - Frances Ann Myers vs. Pacific Bell Telephone Company, dba SBC California.**  
Complaint for poor service. Held: Defendant provided adequate service. Complainant's difficulty with her phone service was not caused by defendant. This proceeding is closed.  
(Comr Peevey - ALJ Barnett)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185646](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185646)
- 18**  
[4211] **(ECP) C04-07-052 - John Dickey and Luanne Aulenback-Dickey vs. Southern California Edison Company.**  
Complainants seek relief from high bills. Held: Relief denied. Complainants' meter is accurate and their bills are correct. This proceeding is closed.  
(Comr Peevey - ALJ Barnett)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185648](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185648)
- 19**  
[4212] **A04-10-018 - Del Oro Water Company, Inc. (DOWC).**  
This decision authorizes DOWC to secure a loan not to exceed \$500,000 to finance the cost of engineering studies and capital improvements to be conducted in its Pine Flat and Pine Mountain service areas. This proceeding is closed.  
(Exam Coughlan)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- 20**  
[4213] **A04-10-033 - San Jose Water Company (SJWC).**  
This decision authorizes SJWC to enter into a \$1,660,250 loan contract with the Department of Water Resources and to impose a surcharge to repay the loan. This proceeding is closed.  
(Exam Coughlan)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- 21**  
[4214] **A04-08-040 - NRG Energy Center San Francisco LLC (NRG).**  
This decision authorizes NRG to establish a new rate schedule for partial requirements and standby customers. This proceeding is closed.  
(Comr Peevey - ALJ McVicar)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185879](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185879)

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Consent Agenda - Orders and Resolutions (continued)

- 22**  
[4215] **Res W-4518 - Ponderosa Sky Ranch Water System (PSR).**  
This resolution authorizes PSR an interim general rate increase subject to refund, producing an increase in gross annual revenues of \$31,615 or 109%.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187918](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187918)
- 23**  
[4222] **A04-07-021 - CCG Communications, LLC (Applicant).**  
This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based/UNE-P and resold local exchange telecommunication services. This proceeding is closed.  
(Comr Kennedy - ALJ Prestidge)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186853](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186853)
- 24**  
[4224] **Res E-3911 - Pacific Gas and Electric Company (PG&E).**  
This resolution approves PG&E's request to make revisions to its Advanced Metering and Demand Response Account (AMDRA) and to transfer the 2004 AMDRA balance of \$4.79 million for rate recovery to its Distribution Revenue Adjustment Mechanism. (Advice Letter 2569-E, filed October 15, 2004)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188056](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188056)
- 25**  
[4228] **A04-04-037 - Hotline, Inc. (Applicant).**  
This decision grants Applicant a certificate of public convenience and necessity to provide resold local exchange and interexchange services. This proceeding is closed.  
(Comr Kennedy - ALJ Prestidge)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187592](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187592)
- 26**  
[4229] **I04-08-022 - In the Matter of the Order Instituting Investigation and Order to Show Cause on the Commission's own motion into the operations and practices of All State Moving and Storage, Inc., a California coporation doing business as California Transportation Systems, dba Prime Movers, dba All State Moving & Storage, dba City Transportaton System, and its President, Jacob (aka Yacov) Sudai, and Secretary, Israel Lerner; Washington Mini-Storage, Inc., a Maryland corporation dba Prime Movers, et al.**  
This decision approves settlement and grants application for household goods carrier authority.  
(Comr Brown - ALJ Bushey)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187931](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187931)



Consent Agenda - Orders and Resolutions (continued)

**27**

[4237]

**R04-04-026 - Order Instituting Rulemaking to implement the California Renewables Portfolio Standard Program.**

This decision awards Green Power Institute \$104,864.25 in compensation for its contribution to D04-06-014, D04-06-015, and D04-07-029.

(Comr Peevey - ALJ Allen)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186943](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186943)

## Regular Agenda

### Regular Agenda - Energy Orders

**28**

[3929]

**A03-10-022 - Southern California Edison Company (SCE).**

This decision adopts a joint SCE and Office of Ratepayer Advocates (ORA) recommendation to reduce the Energy Resource Recovery Account by a net amount of \$3,574,000 to reconcile certain audit issues. In all other respects, the decision finds SCE's procurement related and other operations were reasonable for the record period September 1, 2001 through June 30, 2003. The decision also defines the scope and standard of review for least cost dispatch and orders SCE and ORA to implement a master data request process. This proceeding is closed.

(Comr Peevey - ALJ Fukutome)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3141, Item 37 10/28/2004 (Peevey);

Agenda 3142, Item 35 11/19/2004 (Kennedy);

Agenda 3144, Item 37 12/16/2004 (Kennedy);

Agenda 3145, Item 42 1/13/2005 (Peevey)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186759](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186759)

**28a**

[4235]

**ALTERNATE TO ITEM 3929**

This alternate defines the scope of least-cost dispatch review in the ERRR to include Edison's decisions to dispatch the resources under its control in the daily, hourly and real-time markets. Additionally, the standard of review for least-cost dispatch is compliance with Standard of Conduct #4 (SOC 4), which is an element of Edison's procurement plan.

(Comr Kennedy)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188028](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188028)

**29**

[4103]

**A00-11-038 - Southern California Edison Company (SCE).**

For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028 - Related matters. This decision awards The Utility Reform Network (TURN) \$1,043,871.80 in compensation for its further participation in the federal district court proceedings in which SCE and Pacific Gas and Electric Company challenged the Commission's jurisdiction to limit the utilities' recovery of increased wholesale procurement costs, and for its efforts in the judicial review of D02-06-070, which awarded TURN intervenor compensation for its earlier participation in those federal proceedings.

(Comr Brown - ALJ Allen)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3144, Item 48 12/16/2004 (Kennedy);

Agenda 3145, Item 45 1/13/2005 (Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186720](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186720)

## Regular Agenda - Energy Orders (continued)

**30** **R01-08-028 - Order Instituting Rulemaking to examine the Commission's future energy efficiency policies, administration, and programs.**  
[4107]

This decision addresses the threshold issues related to the administrative structure for energy efficiency programs beyond 2005. In particular, it resolves the issues of (1) what entity or entities should be responsible for selecting individual energy efficiency programs and managing the portfolio of selected programs during implementation and (2) what entity or entities should manage and contract for evaluation, measurement and verification (EM&V) of program results. Certain implementation issues related to the Commission's adopted approach to EM&V administration will be addressed in subsequent workshops.

(Comr Kennedy - ALJ Gottstein)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

Agenda 3145, Item 46 1/13/2005 (Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=184766](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=184766)

**30a** **ALTERNATE TO ITEM 4107**  
[4236]

This alternate makes the following changes:

1. Adopts Office of Ratepayer Advocates recommendations to identify, track and oversee administrative costs.
2. Directs Energy Division to work with parties and Pacific Gas and Electric Company to develop a pilot independent administration program with Northern California governments.

(Comr Brown)

**31** **R04-01-025 - Order Instituting Rulemaking to establish policies and rules to ensure reliable, long-term supplies of natural gas to California.**  
[4196]

This decision addresses The Utility Reform Network's request for compensation regarding D04-09-022.

(Comr Kennedy, Comr Peevey - ALJ Fukutome, ALJ Wong)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185541](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185541)

## Regular Agenda - Energy Orders (continued)

**32**

[4197]

**R02-06-001 - Order Instituting Rulemaking on policies and practices for advanced metering, demand response, and dynamic pricing.**

This decision approves Summer 2005 day-ahead notification demand response programs that focus on providing peak demand reduction driven by day ahead high temperature, price, or demand level forecasts. It also approves reliability-triggered programs that focus on providing quick response load reduction capability, technology and technical assistance programs to automate customer response to demand reduction signals, and programs to educate customers about their power to reduce their bills by driving their load off peak.

(Comr Peevey - ALJ Cooke)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186455](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186455)

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**Regular Agenda - Energy Resolutions and Written Reports**

- 33**  
[4182] **Res E-3903 - Pacific Gas and Electric Company (PG&E).**  
PG&E proposes to modify Schedules E-DEPART and E-EXEMPT to extend their expiration dates, and to revise Schedule E-DEPART to permit billing departing load customers for the Regulatory Asset charge. Approved with modifications. (Advice Letter (AL) 2043-E, filed October 19, 2000, and Supplemental AL 2043-E-A, filed February 18, 2004)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188074](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188074)
- 34**  
[4186] **Res E-3895 - Southern California Edison Company (SCE).**  
SCE requests authorization to implement Test Year 2003 General Rate Case (GRC) revenue requirements, 2004 GRC Post Test Year revenue requirements, 2004 consolidated rate level changes and adopted ratemaking mechanisms in accordance with Commission Decision D04-07-022. This resolution approves SCE's requests with modifications. (Advice Letter 1808-E, filed July 16, 2004)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188146](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188146)
- 35**  
[4225] **Res E-3896 - San Diego Gas & Electric Company (SDG&E).**  
SDG&E seeks approval of: (1) the contract with Ramco to acquire a 46 MW combustion turbine (CT) and related equipment as approved by the Commission in D04-06-011; (2) an exemption from Public Utilities (PU) Code Section 851, as permitted by PU Code Section 853, for Commission approval of the temporary transfer of a portion of SDG&E's Miramar property to Ramco for the purpose of siting its CT; (3) SDG&E's first year revenue requirement for ownership and operation of the Ramco CT; and (4) an annual update mechanism for the Ramco CT that will be in place until SDG&E's next general rate case/cost of service proceeding. (Advice Letter 1621-E, filed September 8, 2004)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188093](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188093)
- 36**  
[4226] **Res E-3910 - San Diego Gas & Electric Company (SDG&E).**  
SDG&E submits notification of actions it has taken to implement California Public Utilities Commission Decision 04-07-028, which are consistent with its approved short-term procurement plan. SDG&E developed a new Operating Procedure in cooperation with the California Independent System Operator to help congestion mitigation by using effectiveness factors in procurement and scheduling activities. Approved.  
(Advice Letter 1641-E, filed December 3, 2004)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188087](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188087)

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**Regular Agenda - Telecommunication Orders****37**

[4039]

**R93-04-003 - Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier networks.**

I93-04-002 - Related matters. This decision grants a petition by Verizon California to modify the interim unbundled network element (UNE) rates adopted in D03-03-033 based on recent increases in UNE rates for Verizon New Jersey. The changes include a decrease in the shared and common cost markup from 22% to 10%.

(Comr Peevey - ALJ Duda)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

Agenda 3144, Item 56 12/16/2004 (Peevey);

Agenda 3145, Item 51 1/13/2005 (Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186819](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186819)

**37a**

[4198]

**ALTERNATE TO ITEM 4039**

I93-04-002 - Related matters. This decision grants a petition by Verizon California to modify the interim unbundled network element (UNE) rates adopted in D03-03-033, based on recent increases in UNE rates for Verizon New Jersey. The alternate is identical to the draft decision of Administrative Law Judge Duda as originally mailed for comment on November 5, 2004.

(Comr Peevey)

Agenda 3145, Item 51a 1/13/2005 (Brown)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187913](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187913)

**38**

[4184]

**A01-02-024 - AT&T Communications of California, Inc. and WorldCom, Inc.**

A01-02-035, A02-02-031, A02-02-032, A02-02-034, A02-03-002 - Related matters. This decision resolves outstanding issues in this proceeding relating to the adjustment, or “true-up,” of interim unbundled network element rates to permanent rate levels. This order lifts the stay of billing adjustments established through Ordering Paragraph 4 of D04-09-063, and orders immediate payment of billing adjustments by 10 carriers whose cash or cash equivalents indicate they possess cash at least 10 times the amount of their true-up debt. All other carriers shall pay in equal installments over 12 months, subject to interest and late payment penalties. True-up payments should be calculated based on a 10% shared and common cost markup. These proceedings are closed.

(Comr Peevey - ALJ Duda)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=186151](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=186151)

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Regular Agenda - Telecommunication Orders (continued)

**39**                    **R00-02-004 - Order Instituting Rulemaking on the Commission's Own Motion to Establish**  
[4203]                    **Consumer Rights and Consumer Protection Rules Applicable to All Telecommunications**  
                             **Utilities.**

Modification of D04-05-057 to stay effective date of decision.

(Comr Kennedy)

Agenda 3145, Item 52 1/13/2005 (Peevey)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=188118](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=188118)

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**Regular Agenda - Telecommunication Resolutions and Reports**

- 40**  
[4155]      **Res T-16897 - Citizens Telecommunications Company of California (Citizens).**  
This resolution requires Citizens to apply a CHCF-B permanent surcredit rate of 3.63% and an additional surcredit rate of 2.95% to true up the provisional permanent surcredit, totaling 6.58%, for one year. Subsequently, Citizens will continue to apply the 3.63% permanent surcredit on the first day of the month after the twelve-month implementation period of the 6.58% total CHCF-B surcredit on all intrastate billings, with certain exceptions. (Advice Letter (AL) 722, filed October 24, 2001, and Supplement A, filed April 13, 2004. AL 732, filed November 29, 2001, and Supplements A, B, and C, filed December 10, 2001, August 1, 2002, and April 13, 2004, respectively)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
Agenda 3145, Item 13 1/13/2005 (Kennedy)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=185643](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=185643)
- 41**  
[4163]      **Res T-16913 - SBC California (SBC).**  
This resolution authorizes SBC to decrease its annual revenues by \$8.822 million effective February 1, 2005, subject to modification. ORA filed a protest regarding gain on sale of land. Telecommunications Division recommends that the gain on sale of land be subject to modification in the upcoming New Regulatory Framework review. This resolution is in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 25578, filed October 1, 2004)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
Agenda 3145, Item 53 1/13/2005 (Kennedy)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187937](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187937)
- 42**  
[4176]      **Res T-16870 - Verizon California Inc. (Verizon).**  
This resolution authorizes Verizon to grandfather a part of custom calling services in Schedule Cal. P.U.C. Nos. A-40, Custom Calling Service; K-1, Competitive Services; and K-5 Resale Service. (Advice Letter 10925, filed July 26, 2004)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=187870](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=187870)



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## **Regular Agenda - Commissioner's Reports**

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**Regular Agenda - Management Reports and Resolutions**

## Closed Session

*This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).*

### Closed Session - Non-Federal

**43**

**Conference with Legal Counsel - Applications for Rehearing**

[4143]

Compilation of applications for rehearing recently filed with the Commission.

**44**

**C98-04-004 - Conference with Legal Counsel - Application for Rehearing**

[3601]

C98-06-003; C98-06-027; C98-06-049; I90-02-047 - Related matters. Disposition of Applications for Rehearing of D03-11-021 filed by The Latino Issues Forum (LIF), The Utility Reform Network, and SBC California. On November 13, 2003, the Commission issued D03-11-021, awarding intervenor compensation to The Greenlining Institute and LIF for its contribution to D01-09-058.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

Agenda 3136, Item 97 7/8/2004 (Staff);

Agenda 3137, Item 97 8/19/2004 (Staff);

Agenda 3138, Item 48 9/2/2004 (Staff);

Agenda 3139, Item 53 9/23/2004 (Staff);

Agenda 3141, Item 53 10/28/2004 (Staff);

Agenda 3142, Item 60 11/19/2004 (Staff);

Agenda 3143, Item 48 12/2/2004 (Staff);

Agenda 3144, Item 65 12/16/2004 (Kennedy);

Agenda 3145, Item 56 1/13/2005 (Staff)

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Closed Session - Non-Federal (continued)**45**

[3979]

**A02-11-044 - Conference with Legal Counsel – Application for Rehearing**

Disposition of Applications for Rehearing of D04-07-034 filed by the Office of Ratepayer Advocates, City of Fontana and the Fontana Unified School District. D04-07-034 authorizes a rate increase for the San Gabriel Valley Water Company (San Gabriel), Fontana Water Company Division. Among other things, the decision removes \$2.6 million from the ratebase, finding that is the amount of money the County of San Bernardino reimbursed San Gabriel for its water treatment facility, Plant F-10. The decision also finds that the Fontana Division is experiencing growth that is expected to continue and that it was barely able to meet its 2003 summer peak-day demand following four years of drought and closure of various contaminated wells. Further, the decision finds that it is not reasonable to defer addition for new plant in the Fontana Division until outside funding for contamination cleanup becomes available and finds that the utility has justified its proposed construction program including plans for needed plant additions that would increase its rate base at a rate of 10% per year. The decision advises that the utility to open a water quality memorandum account for any reimbursements from polluters or proceeds ultimately received. The decision permits the utility to purchase land for its new office building but requires it to defer building the new office building at this time. Because the utility has not, in the past, hired new personnel when funded to do so, the decision requires it to file an advice letter for inclusion of the costs of each new position authorized by it. In addition, the decision finds that that the utility's executive salaries are not unreasonable.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

*Gov. Code § 11126.3(d), allows this item to be considered in Closed Session.*

Agenda 3143, Item 52 12/2/2004 (Staff);

Agenda 3144, Item 68 12/16/2004 (Staff);

Agenda 3145, Item 60 1/13/2005 (Staff)

**46**

[4130]

**A02-07-022 - Conference with Legal Counsel - Application for Rehearing**

Order disposing of applications for rehearing of D04-07-026, in which the Commission certified the Final Environmental Impact Report and granted a CPCN for SDG&E's Miguel Mission 2340kV transmission project. Applications for rehearing were filed by the City of Santee, Santee Citizens for Safe Power, San Diegans for Fair Power, and the Eucalyptus Hills Landowners Association.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

Agenda 3144, Item 74 12/16/2004 (Staff);

Agenda 3145, Item 62 1/13/2005 (Staff)

**47**

[4131]

**A03-03-043 - Conference with Legal Counsel – Application for Rehearing**

Disposition of the request for leave to file an application for rehearing and application for rehearing of D04-07-027 filed by NOPE. D04-07-027 granted Southern California Edison a permit to construct a new substation in the City of Lake Forest and certain new transmission facilities through the City of Mission Viejo, as described in the Final Mitigated Negative Declaration (FMND). D04-07-027 also certified the FMND.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

Agenda 3144, Item 75 12/16/2004 (Staff);

Agenda 3145, Item 63 1/13/2005 (Staff)

Closed Session - Non-Federal (continued)

**48**

[4227]

**A01-02-012 - Conference with Legal Counsel – Application for Rehearing**

Disposes of the application for rehearing of D04-05-058 filed by Verizon California, Inc.

D04-05-058 granted Verizon's request to re-categorize its residential and business Billable Repair Service (BRS), and its residential, landlord, business and CentraNet Inside Wire Maintenance Plan (IWMP) service offerings from Category II to Category III. The decision also capped Verizon's residential IWMP rate of \$1.75 for one year, and thereafter the rate is capped at \$2.99.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

**Closed Session - Initiation of Litigation - Non-Federal**

Consideration of possible Commission initiation of, or intervention in, litigation.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**Closed Session - Threatened Litigation - Non-Federal**

Significant exposure to litigation

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

### **Closed Session - Personnel Matters**

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

*Gov. Code § 11126(a), allows this item to be considered in Closed Session*



### **Closed Session - Threatened Litigation - Federal**

Significant exposure to litigation in federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

### **Closed Session - Initiation of Litigation - Federal**

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**Closed Session - Federal****49 Case Nos. C 04-00580 VRW (Bankruptcy Case No. 01 30923 DM) - Conference with Legal  
[4146] Counsel - Existing Litigation**

Loretta Lynch vs. California Public Utilities Commission, Pacific Gas and Electric Company (Debtor), U.S. District Court for the Northern District of California, Case No. C 04-00580 VRW; Pacific Gas and Electric Company (Debtor), United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 01 30923 DM.

**50 WC Docket No. 03-211 - Conference with Legal Counsel – Existing Litigation**

[4175] In re Vonage Holdings Corp. Petition for Declaratory Ruling Concerning an Order of the Minnesota PUC, WC Docket No. 03-211.

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

Agenda 3145, Item 68 1/13/2005 (Brown)

**51 Cases No SACV 04-1129 DOC (Mcx) and SACV 04-1139 DOC (Mcx) - Conference with  
[4202] Legal Counsel - Existing Litigation**

U.S. District Court for the Central District of California Case No. SACV 04-1129 DOC (Mcx), Nextel of California, Inc. v. Brown, et al. U.S. District Court for the Central District of California Case No. SACV 04-1139 DOC (Mcx) Cellco Partnership, et al. v. Peevey et al.

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*

Agenda 3145, Item 69 1/13/2005 (Staff)

**Closed Session - FERC Docket No. EL00-95-000**

Conference with Legal Counsel - Existing Litigation; San Diego Gas & Electric Co., EL00-95-000

*Gov. Code § 11126(e)(2)(A), allows this item to be considered in Closed Session.*